ALCOHOLIC BEVERAGES DIVISION State of Iowa

2021 Alcohol Law Changes

New laws, effective Thursday, July 1, 2021 related to the Iowa Alcoholic Beverages Division (ABD) and Iowa Code Chapter 123.

HF384 - ALCOHOLIC BEVERAGE CONTROL

<u>House File 384</u> addresses alcoholic beverage control concerning class "C" liquor control licenses, hours of sale of alcoholic beverages on Sunday, and the delivery of certain alcoholic beverages. *Signed by the Governor on June 8, 2021.*

HF766 – THIRD PARTY DELIVERY

House File 766 addresses the delivery of alcoholic beverages by retailers. Signed by the Governor on May 10, 2021.

HF768 – SECOND RETAIL LOCATION FOR NATIVE DISTILLERIES, NATIVE BREWERIES, AND NATIVE WINERIES

<u>House File 768</u> addresses the licensing of, and sales by, native distilleries, native breweries, and native wineries. *Signed by the Governor on May 20, 2021.*

HF871 - ECONOMIC DEVELOPMENT

<u>House File 871</u> addresses the transfer of funds from the Beer and Liquor Control Fund to the Iowa Economic Development Authority. *Signed by the Governor on June 8, 2021.*

Delivery

- The delivery of mixed drinks and cocktails is allowed by licensees authorized to sell
 mixed drinks and cocktails for off-premises consumption (class "C" liquor control
 licensees LC and class "C" native distilled spirits liquor licensees LCN).
- Licensees and permittees authorized to sell wine, beer, or mixed drinks or cocktails for
 consumption off the licensed premises in a container other than the original container
 may deliver the wine, beer, or mixed drinks or cocktails to a home or other designated
 location in this state only if the container other than the original container has been sold
 and securely sealed in compliance with Lowa Code chapter 123 or the rules of the
 division.
- "Sealed container" means a vessel, including a substantial or sturdy plastic container and a vacuum or heat-sealed pouch, containing a mixed drink or cocktail that is designed to prevent consumption without removal of a tamper-evident lid, cap, or seal. "Sealed container" does not include a container with a sipping hole or other opening for a straw, unless the hole or other opening includes a tamper-evident seal, but a straw may be separately provided with a sealed container to the consumer for off-premises consumption.
- Licensees and permittees authorized to sell alcoholic liquor, wine, beer, or mixed drinks or cocktails for off-premises consumption may contract with a third party to deliver the

alcoholic beverages provided that the licensee or permittee has entered into a written agreement with the third party that authorizes the third party to act as an agent of the licensee or permittee for the purpose of delivering the alcoholic beverages. Direct shipment is only allowed for wine via the wine direct shipper permit outlined in Lowa Code 123.187.

Each licensee or permittee shall submit to ABD a list of names and addresses of all third
parties it has authorized to act as its agent for the purpose of delivering alcoholic
beverages. The licensee or permittee shall provide ABD with amendments to the list as
necessary to ensure ABD possesses an accurate, current list. The list of third parties
should be submitted using the following link: Third-Party Delivery Form

Mixed Drinks and Cocktails

- Mixed drinks and cocktails can be delivered. See "Delivery" above.
- A mixed drink or cocktail mixed and packaged in a metal can pursuant to Iowa Code section 123.49(2)"d"(3), shall not be considered a canned cocktail.

Hours of Sale

- The sale of alcohol on Sunday can now begin at 6:00 a.m. The hours during which alcoholic beverages may be legally sold and served are now Monday through Sunday 6:00 a.m. to 2:00 a.m.
- This change also affects the hours alcoholic beverages can be delivered. Deliveries can now occur Monday through Sunday between 6:00 a.m. and 10:00 p.m. A Sunday Sales privilege is required to sell and serve alcohol on Sundays.

Second Retail Location for Native Manufacturers

- Class "A" native distilled spirits licensees (ND) may be granted not more than two class "C" native distilled spirits liquor control licenses (LCN). Each LCN authorizes the holder to sell native distilled spirits manufactured on the premises of the native distillery to patrons by the individual drink for consumption on the premises and mixed drinks or cocktails for consumption off the premises. The second LCN must be associated with a separate ND license and the ND license holder must meet the manufacturing requirements outlined in lowarcode-chapter 123 at the separate ND location.
- Class "A" native wine permittees (WAN) may be granted not more than two class "C" native wine permits (WCN). Each WCN authorizes the holder to sell native wine at retail for consumption on the premises of the manufacturing facility. The second WCN must be associated with a separate WAN permit and the WAN permit holder must meet the manufacturing requirements outlined in Lowa Code chapter 123 at the separate WAN location.
- Class "A" native beer permittees (BAN) may be granted not more than two class "B" beer permits (BB). Each BB authorizes the holder to sell beer at retail for consumption on or off the premises of the manufacturing facility. The second BB must be associated with a separate BAN permit and the BAN permit holder must meet the manufacturing requirements outlined in Lowa Code chapter 123 at the separate BAN location.